



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

MAR 28 2018

REPLY TO THE ATTENTION OF:

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Brian Miller
A&L Iron and Metal Company
2000 Milbocker Road
Gaylord, Michigan 49735

Re: Finding of Violation
A&L Iron and Metal Company
Gaylord, Michigan

Dear Mr. Miller:

The U.S. Environmental Protection Agency is issuing the enclosed Finding of Violation (FOV) to A&L Iron and Metal Company (you) under Section 113(a)(3) of the Clean Air Act, 42 U.S.C. § 7413(a)(3). We find that you are violating the National Emission Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines at your Gaylord, Michigan facility.

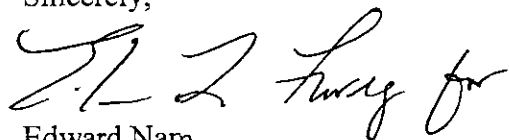
Section 113 of the Clean Air Act gives us several enforcement options. These options include issuing an administrative compliance order, issuing an administrative penalty order and bringing a judicial civil or criminal action.

We are offering you an opportunity to confer with us about the violations alleged in the FOV. The conference will give you an opportunity to present information on the specific findings of violation, any efforts you have taken to comply and the steps you will take to prevent future violations. In addition, in order to make the conference more productive, we encourage you to submit to us information responsive to the FOV prior to the conference date.

Please plan for your facility's technical and management personnel to attend the conference to discuss compliance measures and commitments. You may have an attorney represent you at this conference.

The EPA contact in this matter is Scott Connolly. You may contact him at (312) 886-1493 or connolly.scott@epa.gov to request a conference. You should make the request within 10 calendar days following receipt of this letter. We should hold any conference within 30 calendar days following receipt of this letter.

Sincerely,

A handwritten signature in black ink, appearing to read "E. Nam", followed by a flourish.

Edward Nam
Director
Air and Radiation Division

Enclosure SBREFA fact sheet

cc: Tom Hess, Enforcement Unit Manager, Air Quality Division, MDEQ

2. Section 112 of the CAA, 42 U.S.C. § 7412, requires EPA to promulgate a list of all categories and subcategories of major sources and area sources of hazardous air pollutants (HAPs) and establish emissions standards for the categories and subcategories. These emission standards are known as the NESHAP.
3. The NESHAPs in 40 C.F.R. Part 63 are national technology-based performance standards for HAP sources in each category that become effective on a specified date. The purpose of these standards is to ensure that all sources achieve the maximum degree of reduction in emissions of HAPs that EPA determines is achievable for each source category.
4. Pursuant to Section 112(b) of the CAA, 42 U.S.C. § 7412(b), EPA designates HAPs which present or may present a threat of adverse effects to human health or the environment.

5. Formaldehyde is on the initial list of HAPs in Section 112(b) of the CAA, 42 U.S.C. § 7412(b).
6. Section 112(i)(3) of CAA, 42 U.S.C. § 7412(i)(3), and 40 C.F.R. § 63.4, prohibit the owner or operator of any source from operating such source in violation of any NESHAP applicable to such source.
7. The NESHAP, at 40 C.F.R. Part 63, Subpart A, contains general provisions applicable to the owner or operator of any stationary source that contains an affected source subject to the NESHAP at Part 63. These general provisions include definitions at 40 C.F.R. § 63.2.
8. The NESHAP, at 40 C.F.R. § 63.2 defines “reconstruction” as the replacement of components of an affected or previously nonaffected source so that the fixed capital cost of the new components exceeds 50 percent of the fixed capital cost that would be required to construct a new comparable source and it is technologically and economically feasible for the reconstruction to meet the relevant standards established by the administrator pursuant to section 112 of the CAA.

NESHAP for Stationary Reciprocating Internal Combustion Engines at 40 C.F.R. Part 63
Subpart ZZZZ

9. On June 15, 2004, pursuant to Section 112 of the CAA, the Administrator promulgated the NESHAP for Stationary Reciprocating Internal Combustions Engines (RICE MACT) at 40 C.F.R. Part 63 Subpart ZZZZ; 40 C.F.R. § 63.6580 *et seq.* (69 Fed. Reg. 33506)
10. On March 3, 2010, EPA amended the RICE MACT to apply to existing stationary compression ignition reciprocating internal combustion engines (RICE) located at area sources of HAP emissions. These amendments became effective May 3, 2010. (75 Fed. Reg. 9648)
11. The RICE MACT, at 40 C.F.R. § 63.6585 applies to owners and operators of stationary RICE at major and area sources of HAP emissions.
12. The RICE MACT, at 40 C.F.R. § 63.6675 defines “HAP” as any air pollutants listed in or pursuant to section 112(b) of the CAA.
13. The RICE MACT establishes standards to reduce HAP emissions, such as formaldehyde, acetaldehyde, acrolein, and methanol, from stationary RICE. 69 Fed. Reg. 33474 (June 15, 2004)
14. Formaldehyde is the HAP present in the highest concentrations in emissions from RICE and formaldehyde emission levels are related to other HAP emission levels. Carbon monoxide (CO) emissions standards are an appropriate surrogate for formaldehyde emission standards. 75 Fed. Reg. 9651 (March 3, 2010)

15. In addition to reducing HAP and CO emissions, the RICE MACT will result in the reduction of particulate matter emissions from existing stationary diesel engines. 75 Fed. Reg. 9651 (March 3, 2010)
16. The RICE MACT, at 40 C.F.R. § 63.6675 defines “Stationary reciprocating internal combustion engine” as any reciprocating internal combustion engine which uses reciprocating motion to convert heat energy into mechanical work and which is not mobile.
17. The RICE MACT, at 40 C.F.R. § 63.6585(a) states that a stationary RICE is any internal combustion engine which uses reciprocating motion to convert heat energy into mechanical work and which is not mobile.
18. The RICE MACT, at 40 C.F.R. § 63.6585(b) states that a major source of HAP emissions is a plant site that emits or has the potential to emit any single HAP at a rate of 10 tons (9.07 megagrams) or more per year or any combination of HAP at a rate of 25 tons (22.68 megagrams) or more per year, except that for oil and gas production facilities, a major source of HAP emissions is determined for each surface site.
19. The RICE MACT, at 40 C.F.R. § 63.6675 defines “area source” as any stationary source of HAP that is not a major source as defined in Part 63.
20. The RICE MACT, at 40 C.F.R. Subpart ZZZZ, § 63.6590 applies to affected sources.
21. The RICE MACT, at 40 C.F.R. § 63.6590, states that an affected source is any existing, new or reconstructed stationary RICE located at a major or area source of HAP emissions.
22. The RICE MACT, at 40 C.F.R. § 63.6590(a)(1)(iii) states that an existing stationary RICE, includes stationary RICE sources located at an area source of HAP emissions, that commenced construction or reconstruction before June 12, 2006.
23. The RICE MACT at, 40 C.F.R. § 63.6675 defines compression ignition (CI) as relating to a type of stationary internal combustion engine that is not a spark ignition engine.
24. The RICE MACT contains emission limits at §§ 63.6600-6604, general compliance requirements at § 63.6605, testing and initial compliance requirements at §§ 63.6610-6630, continuous compliance requirements at §§ 63.6635-6640, and notification, reporting and recordkeeping requirements at §§ 63.6645-6660.
25. The RICE MACT, at 40 C.F.R. § 63.6595(a) states that an existing stationary CI RICE located at an area source of HAP emissions must comply with the applicable emission limitations, operating limitations, and other requirements, no later than May 3, 2013.
26. Section 113(a)(3) of the CAA, 42 U.S.C. § 7413(a)(3), authorizes the Administrator to initiate an enforcement action whenever, among other things, the Administrator finds that any person has violated or is in violation of a requirement or prohibition of Title V of the Act or any other rule promulgated, issued or approved under the CAA.

Relevant Factual Background

27. A&L owns and operates a metal shredding and recycling facility located at 2000 Milbocker Road, in Gaylord, Michigan (Facility).
28. The Facility is an area source of HAP emissions.
29. A&L owns and operates an existing stationary RICE at the Facility.
30. The A&L RICE is a source of hazardous hydrocarbons HAP emissions including, formaldehyde.
31. The A&L RICE is a source of CO emissions.
32. A&L is a 40 C.F.R. Part 63 Subpart ZZZZ, § 63.6590 affected source.
33. A&L's existing stationary diesel RICE is a CI RICE, manufactured in 1978, with an output rating of 2.6 megawatts or approximately 3506 horsepower.
34. By letter dated May 1, 2008, A&L submitted to Michigan Department of Environmental Quality (MDEQ) an application for Permit to Install (2008 Permit Application) the CI RICE at its Gaylord facility.
35. The 2008 Permit Application specifies that "The A&L Iron CI engine is categorized as an existing CI stationary RICE at an area source of HAP emissions since it commenced construction or reconstruction prior to June 12, 2006."
36. The MDEQ issued a Permit to Install, Permit Number 173-08, on August 12, 2008, which allows A&L to operate a CI RICE.
37. As of May 3, 2010, the RICE MACT applied to existing stationary RICE sources and adopted emission limitations, operating requirements, monitoring requirements and recordkeeping requirements for each engine category. 75 Fed. Reg. 9675
38. The A&L CI RICE is an existing area source constructed or reconstructed prior to June 12, 2006 and is required to comply with the RICE MACT no later than May 3, 2013.
39. EPA conducted a Clean Air Act inspection of the A&L facility on October 4, 2017 (2017 Inspection).
40. A&L has not modified, retrofitted or changed its facility to comply with the provisions of the RICE MACT.
41. During the 2017 Inspection, EPA inspectors observed particulate matter emissions from the diesel engine stack.

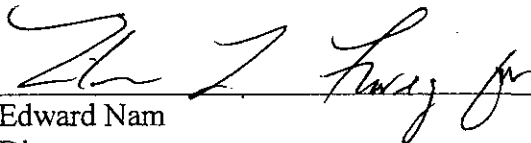
Violation

42. Since May 3, 2013, A&L has failed to comply with the applicable requirements of the RICE MACT, including emission limitations, operating requirements, testing requirements, monitoring requirements and recordkeeping requirements associated with the RICE MACT, in violation of the CAA.

Environmental Impact of Violations

43. The violations have caused or can cause excess emissions of particulate matter, CO and hazardous hydrocarbons such as formaldehyde.
44. Particulate Matter: Particulate matter, especially fine particulates contains microscopic solids or liquid droplets, which can get deep into the lungs and cause serious health problems. Particulate matter exposure contributes to irritation of the airways, coughing, and difficulty breathing, decreased lung function, aggravated asthma, chronic bronchitis, irregular heartbeat, nonfatal heart attacks, and premature death in people with heart or lung disease.
45. CO can cause harmful health effects by reducing oxygen delivery to the body's tissues, including the heart and brain. At extremely high levels, CO can cause death.
46. Formaldehyde is a probable human carcinogen and can cause irritation of the eyes and respiratory tract, coughing, dry throat, tightening of the chest, headache, and heart palpitations. Long-term exposure can cause dermatitis and sensitization of the skin and respiratory tract.

3/28/18
Date


Edward Nam
Director
Air and Radiation Division

CERTIFICATE OF MAILING

I certify that I sent a Finding of Violation, No. EPA-5-18-MI-03, by Certified Mail, Return Receipt Requested, to:

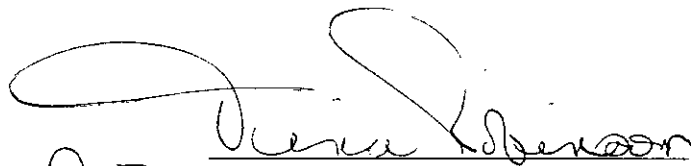
Brian Miller
Vice President
A&L Iron and Metal Company
2000 Milbocker Road
Gaylord, Michigan 49735

I also certify that I sent copies of the Finding of Violation by email to:

Tom Hess
Enforcement Unit Manager
Air Quality Division, MDEQ
hestt@michigan.gov

Shane Nixon
Air Quality Division, MDEQ
nixons@michigan.gov

On the 29th day of March 2018



Kathy Jones
Program Technician
AECAB, PAS

CERTIFIED MAIL RECEIPT NUMBER: 2015064000459655977